

AMENDMENT NO. _____ Calendar No. _____

Purpose: To replace the excise tax on high cost employer-sponsored health coverage with a surcharge on high income individuals.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 3590

AMENDMENT NO 3135

To amend
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ees, :

By Sanders

To: Amdt. No. 2786

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Page(s)

Referred

GPO: 2008 45-608 (10/08)

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. SANDERS to
the amendment (No. 2786) proposed by Mr. REID

and Mr. Brown

Viz:

- 1 Beginning on page 1979, line 20, strike all through
- 2 page 1996, line 3, and insert the following:
- 3 **SEC. 9001. SURCHARGE ON HIGH INCOME INDIVIDUALS.**
- 4 (a) IN GENERAL.—Subchapter A of chapter 1 of the
- 5 Internal Revenue Code of 1986 is amended by adding at
- 6 the end the following new part:

1 under section 871(b) shall be taken into account
2 under this section.

3 “(2) CITIZENS AND RESIDENTS LIVING
4 ABROAD.—The dollar amount in effect under sub-
5 section (a) (after the application of subsection (b))
6 shall be decreased by the excess of—

7 “(A) the amounts excluded from the tax-
8 payer’s gross income under section 911, over

9 “(B) the amounts of any deductions or ex-
10 clusions disallowed under section 911(d)(6)
11 with respect to the amounts described in sub-
12 paragraph (A).

13 “(3) CHARITABLE TRUSTS.—Subsection (a)
14 shall not apply to a trust all the unexpired interests
15 in which are devoted to one or more of the purposes
16 described in section 170(c)(2)(B).

17 “(4) NOT TREATED AS TAX IMPOSED BY THIS
18 CHAPTER FOR CERTAIN PURPOSES.—The tax im-
19 posed under this section shall not be treated as tax
20 imposed by this chapter for purposes of determining
21 the amount of any credit under this chapter or for
22 purposes of section 55.”.

23 (b) CLERICAL AMENDMENT.—The table of parts for
24 subchapter A of chapter 1 of the Internal Revenue Code

1 of 1986 is amended by adding at the end the following
2 new item:

“PART VIII. SURCHARGE ON HIGH INCOME INDIVIDUALS.”.

3 (c) SECTION 15 NOT TO APPLY.—The amendment
4 made by subsection (a) shall not be treated as a change
5 in a rate of tax for purposes of section 15 of the Internal
6 Revenue Code of 1986.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2010.